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N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

GKN Securities Corp

95-043 14

Name of Respondent

* Steven Frantz

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Securities Dealers, Inc.

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REPRESENTATION

For Claimant **GKN Securities Corp. ("GKN")**, appeared Katherine Nathan, Esq., in-house counsel for GKN Securities Corp., located in New York.

Respondent Steven Frantz failed to appear.

CASE INFORMATION

The claimant filed the Statement of Claim on September 11, 1995.

Claimant **GKN Securities Corp.**'s Submission Agreement was signed on August 17, 1995.

HEARING INFORMATION

Hearing Date/Session: June 10, 1996

1 session

The hearings were held at the Marriott Financial Center Hotel, located in New York, New York.

CASE SUMMARY

Claimant **GKN Securities Corp.** alleged that on or about August 22, 1992, Respondent Steven Frantz started work at GKN and executed a Uniform Application for Securities Industry Registration or Transfer, which provided that the Respondent agreed to arbitrate any dispute with his GKN through the National Association of Securities Dealers, Inc. **GKN** also alleged that the Respondent owed \$57,992.35 to **GKN**, as a result of "expenses and/or unsecured customer debits." **GKN** contended that Respondent's employment with GKN ended on or about November 7, 1994, and that the Respondent had failed to pay the amount owed.

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Respondent Steven Frantz failed to file an Answer to the Statement of Claim.

RELIEF REQUESTED

Claimant requested an award against Respondent Steven Frantz for the sum of \$57,107.35, together with interest, the proceeding's costs, attorneys' fees and punitive damages.

OTHER ISSUES CONSIDERED & DECIDED

The arbitrators made the following rulings concerning Respondent Steven Frantz, who failed to submit a Submission Agreement and did not appear at the evidentiary hearing conducted in this matter:

1. Pursuant to Section 1 of the Code of Arbitration Procedure ("Code"), the panel found subject matter jurisdiction over this entire controversy.
2. The panel found that Steven Frantz was required to file with the NASD a properly executed Submission Agreement and/or a Statement of Answer, pursuant to Section 25(b) of the NASD Code of Arbitration Procedure.
3. In accordance with Section 21, 26 and 29 of the Code, the panel found that the NASD provided Steven Frantz with due notice of the hearing conducted in this matter by regular and certified mail. The panel decided to proceed with the hearing without Respondent Steven Frantz, whose absence was unexcused.

AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing session, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent Steven Frantz be and hereby is liable to and shall pay Claimant GKN Securities Corp. for compensatory damages in the amount of \$57,107.35.
2. Respondent Steven Frantz be and hereby is liable to and shall pay Claimant GKN Securities Corp. for an amount representing 9% interest from November 7, 1994 to the hearing date.
3. Both parties are responsible for their own costs, including attorneys' fees.
4. All other claims are denied in full.

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FEE SUMMARY

Pursuant to Section 44c of the Code of Arbitration Procedure, the undersigned arbitrators have decided that the NASD shall retain the \$500.00 non-refundable filing fees previously paid by the Claimants, and have assessed the following forum fees:

1 session X \$600	=	\$600.00
less hearing session deposit	=	<u>\$600.00</u>
Total outstanding fees	=	\$0.00

1. Forum fees are assessed against Respondent Steven Frantz. Since Claimant GKN Securities Corp. previously deposited \$600.00, equal to the total session fees assessed by the NASD, Claimant Steven Frantz is liable to and shall refund GKN for the entire amount, net \$600.00.

Fees are payable to the National Association of Securities Dealers, Inc.

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Arbitrators' Signatures

Sarah G. Anderson, Esq.

Alvin Gallant

Glen R. Stifelman

Date of Decision July 2, 1996

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I, **SARAH G. ANDERSON, ESQ.**, do hereby affirm pursuant to Article 7507 of the Civil Procedure Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.

Sarah G. Anderson

I, **ALVIN GALLANT**, do hereby affirm pursuant to Article 7507 of the Civil Procedure Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.

Alvin Gallant

I, **GLEN R. STIFELMAN**, do hereby affirm pursuant to Article 7507 of the Civil Procedure Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.


Glen R. Stifelman

9607097

Arbitrators' Signatures

Sarah G. Anderson, Esq.

Alvin Gallant
Alvin Gallant

Alvin Gallant
Alvin Gallant

Glen R. Stifelman


Date of Decision July 2, 1996

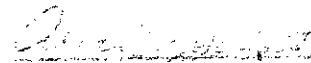
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I, SARAH G. ANDERSON, ESQ., do hereby affirm pursuant to Article 7507 of the Civil Procedure Law and Rules, that I am the individual described herein, and who executed this, instrument which is my award.

Sarah G. Anderson

I, ALVIN GALLANT, do hereby affirm pursuant to Article 7507 of the Civil Procedure Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.


Alvin Gallant


Alvin Gallant


I, GLEN R. STIFELMAN, do hereby affirm pursuant to Article 7507 of the Civil Procedure Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.

Glen R. Stifelman

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Arbitrators' Signatures


Sarah G. Anderson, Esq.

Alvin Gallant

Glen R. Stifelman

Date of Decision July 2, 1996

9607097

I, SARAH G. ANDERSON, ESQ., do hereby affirm pursuant to Article 7507 of the Civil Procedure Law and Rules, that I am the individual described herein, and who executed this instrument which is **my** award.



Sarah G. Anderson

I, ALVIN GALLANT, do hereby affirm pursuant to Article 7507 of the Civil **Procedure** Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.

Alvin Gallant

I, GLEN R. **STIFELMAN**, do hereby **affirm** pursuant to Article 7507 of the Civil Procedure Law and Rules, that I am the individual described herein, and who executed **this** instrument which is my award.

Glen R. Stifelman